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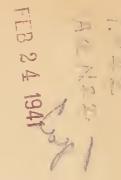


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U. S. DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE

WASHINGTON, D. C.





PROPOSED

RULES AND REGULATIONS

FOR THE

ADMINISTRATION OF THE NAVAL STORES ACT



ADMINISTRATION

160.1 Administrative supervision. The Chief of the Agricultural Marketing Service shall perform such duties as the Secretary may require in administering and enforcing the provisions of the Naval Stores Act and of these regulations.

DEFINITIONS

- 160.2 Definition of terms. The terms as defined in section 2 of the act shall apply with equal force and effect when used in these regulations. In addition, unless the context requires otherwise, the following terms shall be construed, respectively, to mean:
 - (a) Act. -- The Act of March 3, 1923, designated as "The Naval Stores Act."
 - (b) Secretary .-- Secretary of Agriculture of the United States.
 - (c) Department. -- United States Department of Agriculture.
 - (d) Chief of Service. -- The Chief or Acting Chief of the Agricultural Marketing Service.
 - (e) Regulations. -- Rules and Regulations promulgated under the act by the Secretary for the administration and enforcement of the Naval Stores Act.
 - (f) Standards.-- The Official Naval Stores Standards of the United States, in accordance with which all spirits of turpentine and rosin in commerce shall be classified or graded.
 - (g) Analysis. -- Any examination by physical, chemical, or sensory methods.
 - (h) Classification. -- Designation as to kind of spirits of turpentine or rosin.
 - (i) Grading. -- Determination of the grade of turpentine or rosin, by comparison with the standards.
 - (j) Official inspector. -- Any person designated by the Secretary to sample, examine, analyze, classify, or grade naval stores.
 - (k) Interested person. -- (l) Any person who is a party to a factual or prospective transaction in a specific lot of naval stores, whether as producer, seller, shipper,

dealer, or purchaser thereof; or (2) any person who in the opinion of the Chief of Service has sufficient and proper interest in the analysis, classification, grading, or sale of naval stores to merit the loan and use of duplicates of the United States Standards.

- (1) Dealer. -- Any person who sells or ships in commerce any naval stores produced by a person other than himself.
- (m) Certificate. -- The official certificate issued under the provisions of the act and these regulations, to show the results of any examination, analysis, classification, or grading of naval stores.
- (n) Label. -- Any word, combination of words, coined or trade name, picturization of any natural scene or article, or any imitation thereof, applied to, superimposed upon, impressed into, or in any other manner attached to a package of naval stores or other article coming within the scope of the act, by which the nature, kind, quality, or quantity of the contents of such package may be indicated.
- (o) Lot. -- The quantity of naval stores described by any invoice, request for examination, certificate, bill of lading, or other document.
- 160.3 Spirits of turpentine. Spirits of turpentine, also commonly known as turpentine, is the colorless or faintly colored volatile oil consisting principally of terpene hydro-carbons of the general empirical formula $C_{10}H_{16}$, and having a characteristic odor and taste. It occurs naturally in and has been recovered by distillation from the oleoresinous secretions obtained from living trees of the family Pinaceae, or that are present in the cellular structure or wood of species thereof.
- 160.4 Rosin. Except as provided in section 160.15, rosin is the vitreous, well-strained, transparent product, consisting chiefly of noncrystallized resin acids that remain after the removal of the volatile oil from the oleoresinous secretions obtained from species of the family Pinaceae, or that are present in the wood thereof, and contain relatively small proportions of resin esters or other esters, nonacid and noncrystalline resenes, or nonresinous foreign matter.
- 160.5 Kinds of osin. Rosin within the meaning of the act consists of gum rosin or wood rosin.
 - (a) Gum rosin is rosin remaining after the distillation of gum spirits of turpentine from the oleo-resin (gum) obtained from living trees.

- (b) Wood rosin is rosin recovered after the distillation of the volatile oil from the oleoresin within or extracted from pine wood, by any suitable chemical or physical process, followed by any necessary further refinement.
- 160.6 Separated resin acids. Resin acids separated or removed by any process from any material are not rosin within the meaning of the act.

STANDARDS FOR SPIRITS OF TURPENTINE

- 160.7 Standard designations for the kinds of turpentine. Spirits of turpentine within the purview of the act shall be described by one of the following designations: "gum spirits of turpentine," "steam distilled wood turpentine," "destructively distilled wood turpentine," "sulphate wood turpentine."
- 160.8 Gum spirits of turpentine. The designation "gum spirits of turpentine" shall refer to the kind of spirits of turpentine obtained by distillation of the oleoresin (gum) from living trees, and commonly known prior to the passage of the act as gum spirits of turpentine, gum turpentine, spirits of turpentine, or oil of turpentine.
- 160.9 Steam distilled wood turpentine. The designation "steam distilled wood turpentine" shall refer to the kind of spirits of turpentine obtained by steam distillation from the oleoresinous component of wood whether in the presence of the wood or after extraction from the wood, and commonly known prior to the passage of the act as wood turpentine, steam distilled turpentine, or steam distilled wood turpentine.
- "destructively distilled wood turpentine. The designation "destructively distilled wood turpentine" shall refer to the kind of spirits of turpentine prepared from the distillate obtained in the destructive distillation (carbonization) of wood, and commonly known prior to the passage of the act as destructively distilled wood turpentine.
- 160.11 Sulphate wood turpentine. The designation "sulphate wood turpentine" shall refer to the kind of spirits of turpentine prepared from the condensates that are recovered in the sulphate process of cooking wood pulp, and commonly known as sulphate wood turpentine.
- 160.12 Quality requirements. The several standards for spirits of turpentine, as defined in sections 160.8 to 160.11 inclusive, shall be deemed to mean the respective kinds of spirits of turpentine having properties that conform with the standard specifications adopted therefor by the American Society for Testing Materials.

STANDARDS AND GRADES FOR ROSIN

- 160.13 Standards for rosin. The Official Naval Stores Standards of the United States for rosin include the standard types authorized by the act; the standards established by the Secretary (including the standard of condition designated "Opaque Rosin"); and duplicates of any of such standards prepared by the Secretary under authority of the act.
- 160.14 Grade designations for rosin. The grades of rosin shall be designated, from highest to lowest, by the following letters, respectively: X, WW, WG, N, M, K, I, M, G, F, E, D, B. The letters OP shall be used to designate the grade of opaque rosin, and the letters FF shall be used to designate the grade of normal wood rosin; provided, however, that wood rosin that is darker in color than the standard for "FF" grade shall be graded as "B" wood rosin.
- 160.15 Opaque rosin. The term "paque rosin" shall apply to the article resulting when rosin undergoes internal modification indicated by a turbid, clouded, or opaque appearance, that is, loss of transparency, brought about by the occlusion of moisture or the formation of an excessive quantity of rosin acid crystals in the rosin.

ESTABLISHMENT OF NEW AND MODIFIED STANDARDS

- 160.16 Now standards. Whenever it shall appear to the Chief of Service that a new standard for naval stores is necessary in the interosts of the trade, and that the standards already provided do not include the proposed new standard, he shall state the proposed new standard in writing and announce a hearing thereon, to be held not less than 3 months subsequent to such announcement. At the time of the hearing a reasonable opportunity shall be afforded to all interested persons to express opinions or to make statements of fact in favor of or in opposition to the proposed now standard. Notice of the hearing shall contain the terms of the proposed new standard or a summary thereof and shall be made by publication in the Federal Register and by such other means as may be practicable. The hearing shall be conducted by the Chief of Service, or by such employee as he may designate for the purpose, in an orderly and informal manner, according to such procedure as he may announce at the commencement of the hearing. As soon as practicable following the close of the hearing, the Chief of Service shall recommend to the Secretary the adoption or rejection of the proposed new standard, or of such modification thereof as may seem advisable. The Secretary, if he comours in the proposed new standard or a modification thereof, will issue an order establishing and promulgating the new standard. No such standard shall become effective until after 3 months from the date of the promulgation thereof.
- 160.17 Modification of existing standards. Whenever it shall appear to the Chief of Service that modification of an existing standard for naval stores is necessary in the interests of the trade, he shall state the proposed modified standard in writing and announce a

hearing thereon, to be held not less than 6 months subsequent to such announcement. At that time a reasonable opportunity shall be afforded to all interested persons to express opinions or to make statements of fact in favor of or in opposition to the proposed modified standard. Notice of the hearing shall contain the terms of the proposed modified standard or a summary thereof and shall be made by publication in the Federal Register and by such other means as may be practicable. hearing shall be conducted by the Chief of Service, or by such employee as he may designate for the purpose, in an orderly and informal manner, according to such procedure as he may announce at the commencement of the hearing. As soon as practicable following the close of the hearing, the Chief of Service shall recommend to the Secretary the adoption or rejection of the proposed modified standard, or of such modification thereof as may seem advisable. The Secretary, if he concurs in the proposed modified standard or a modification thereof, will issue an order establishing and promulgating the modified standard. No such modified standard shall become effective until after 6 months from the date of the promulgation thereof.

METHODS OF ANALYSIS, CLASSIFICATION, AND GRADING

- of naval stores shall be conducted, so far as is practicable, according to methods of the Association of Official Agricultural Chemists. When any such method is deemed to be insufficient or unsuitable, or when no method has been so presented, the analysis shall be made according to any method deemed appropriate by the Chief of Service.
- by comparing a representative sample, taken and prepared in accordance with these regulations, with the appropriate standard types. The grade shall be the grade designation of the standard type which the sample equals or excels in color.
- 160.20 "Charge" grading not dependable. The grading of rosin packed in barrels or drums containing more than 150 pounds, by the use of so-called charge or vat samples, namely, samples obtained by romoving a portion of the rosin while in a molton condition from a vat prior to placing in containers, or from a barrel or drum before the rosin has become cool and solidified, is not grading in accordance with the provisions of the act and these regulations.
- 160.21 Rosin in bags and other small packages. Rosin in packages of 150 pounds or less shall not be subject to the limitations contained in section 160.20 when sampled in accordance with the provisions of section 160.25(d).

160.22 More than one grade in a package. Any package of rosin found to contain two or more distinct grades of rosin, shall take the grade of the darkest rosin found therein; provided, however, that a sample from the bottom of a barrel or drum that is not more than one grade lower than the grade of the top sample shall not be used as the basis for grading. If such "bottom-head" sample is more than one grade lower than the top sample, the grade assigned to the package shall be that of the darkest rosin found therein.

INSPECTION AND SAMPLING

- The collection of official samples for the purpose of putting into effect any of the provisions of the act, and the issuance of certificates reporting the results of any analysis, classification, or grading shall be limited to official inspectors and to such other personnel of the Department as may be authorized by the Chief of Service.
- 160.24 Inspection on request. Inscfar as it may be practicable, official inspectors shall sample, analyze, classify, or grade naval stores at the request of any interested person, as provided for by the act and in accordance with the regulations thereunder.
- 160.25 Samples of rosin. Samples of rosin for grading shall be approximately cubical in shape, and shall be seven-eighths inch thick in the direction through which they are viewed or graded. Samples may be taken by any of the following methods:
 - (a) By cutting or cleaving the same from a lump of the rosin removed from the solid mass in the barrel or drum, the top side of which lump shall come from not less than 4 inches below the surface of the rosin.
 - (b) By means of a tin mold of suitable design which has been placed inside the barrel or drum through an opening in the side, the top of which opening is not less than 8 inches from the top of the container, in order to provide a sample that shall have come from a position not less than 4 inches below the surface of the rosin. The mold thus placed must be entirely within the barrel or drum and completely encased in the rosin.
 - (c) By suspending in the barrel or drum of molten rosin a clean tin-plate mold, 7/8-inch square (inside) and 1-1/2 inches or more in length, in such a manner that it will be in a horizontal position at least 4 inches below the surface of the rosin after it has thoroughly cooled. Such sample shall not be spiked from the barrel until it is completely cooled.

- (d) By withdrawing from a full package of 150 pounds or less, a quantity of the molten rosin, and allowing the same to cool and solidify in any suitable mold. Samples representing a single charge (or intermittent distillation) of eleoresin shall be taken from not less than two packages, one of which shall be selected after one-half the rosin has been placed in the containers, and the other shall be the last package filled.
- 160.26 Disposition of samples. All samples taken by an official inspector or submitted by an interested person shall become and remain the property of the Department, to be disposed of as the Chief of Service may determine.

ANALYSIS, CLASSIFICATION, AND GRADING ON REQUEST

- desiring the analysis, classification, or grading of any naval stores, or of samples thereof, shall submit to the Chief of Service or to the nearest official inspector a written request, in which he shall state the number and kind of packages of rosin, or the number and kind of packages and the number of gallons of turpentine, as the case may be, together with the name of the interested person for whose account such service is requested, his interest in the naval stores, and other information by which the identity of the naval stores in question and the propriety of its examination may be determined. Requests for seasonal or recurrent services shall so indicate, and the approximate quantity of naval stores to be graded and the duration of the desired service shall be stated. Fees for such service shall be paid in accordance with these regulations.
- 160.28 Withdrawal of request. A request for service under these regulations may be withdrawn at any time before the service has been completed, on notice to the official inspector; provided, however, that the interested person shall reimburse the United States for the time spent and any expenses incurred prior to receipt of such withdrawal notice.
- 160.29 Containers to be made ready. The interested person shall cause the packages of naval stores to be made available, and shall provide any help required to remove the bungs or heads or otherwise open the containers for sampling, to spike the rosin or extract the sampler devices from the barrels or drums, to rebung or otherwise close the containers, to handle the packages for weighing, and to mark the same at the direction of the official inspector.
- 160.30 Contents of containers to remain intact. Except in the case of spirits of turpentine in loaded tank cars under demurrage, the interested person for whose account an examination of naval stores is being made shall hold the same intact and undisturbed until such examination shall have been completed and the results reported; provided,

however, that in case any of such naval stores do not so remain intact and undisturbed, the report thereon shall not be certified as provided for in section 160.41 hereof.

- 160.31 Tank cars. A tank car containing spirits of turpentine that has been sampled for analysis, classification, or grading shall be sealed by the official inspector. A certificate of analysis, classification, and grade shall be valid only so long as the seals placed on the car or tank by the inspector remain unbroken.
- 160.32 Contents of packages to be declared. Packages of naval stores, other than tank cars, offered for grading shall be marked, prior to inspection, to show the nature of the contents, by the designation "gum rosin" or "wood rosin", or, in the case of turpentine, with its standard of identity, to show the producer's declaration of the origin of the naval stores.
- other packages of rosin of 150 pounds or less shall be marked so as to identify the charge, and shall be numbered to show the order in which they were filled. Each sample submitted for grading shall be marked and numbered to identify it with the charge and package from which it was taken. Such samples shall be stored in a cool, dark place, and shall remain encased in the molds until removed by the inspector, in order to protect them from deterioration or change in color. One of the sampled packages from each charge shall be left unclosed and readily available until passed by the official inspector; provided, however, that when the containers are filled by dipping, the one set aside shall be the last one filled. The inspector shall be assisted in taking samples from any additional packages, as he may elect.
- by an official inspector of any sample of rosin for the purpose of grading rosin in packages of 150 pounds or less, at the request of an interested person, shall not release such person from responsibility of complying with all the provisions of the act.
- any labor necessary for marking the packages, after grading, at the direction of the official inspector. An article which is not naval stores within the meaning of the act or these regulations, or which does not conform with any United States Standard for naval stores, shall not be permitted by an official inspector to be marked with any of the marks provided for by the act or these regulations, and any unauthorized marks shall be removed.
- 160.36 Illegible inspection marks. In case any mark placed on a package of rosin by or under the direction of an official inspector has become illegible, he will make such examination before remarking as may be necessary to establish the proper grade or identity of the rosin. No fee will be charged for this service, but the cost of handling, opening, spiking, and closing the packages will be at the expense of the interested person.

- 160.37 Marks to be changed only by an official inspector.

 No mark placed upon any package of naval stores by or at the direction of an official inspector shall be obliterated, covered up, defaced, or otherwise made illegible, except under authority of an official inspector.
- 160.38 Prior marks to be removed. Any mark appearing upon a second-hand container or upon a second-hand part of a container of naval stores, whereby classification or grade was indicated for the original contents thereof, shall be removed before naval stores of a different kind, classification, or grade are placed therein.

so filled or packed as to conceal the fact that it contains anything other than naval stores within the meaning of the act and these regulations, and any naval stores in a container doemed by an official inspector to be unsuitable for use as a centainer of naval stores in commerce, shall not be accepted for classification or grading; provided, however, that any classification or grade marks that may have been placed upon, or any certificate issued to cover any such package inadvertently because of inability of the inspector to observe the true condition thereof, shall not relieve the interested person from responsibility for the condition of the article or its container.

CERTIFICATES AND REPORTS

160.40 Kinds of certificates issued. A certificate as provided for by section 4 of the act shall be issued in duplicate to the interested person, on naval stores examined at his request, and such additional copies as may be necessary may be retained by the inspector and the Chief of Service. The kinds of certificates issued are as follows:

- 1. Turpentine Analysis and Classification Cortificate.
- 2. Turpentine Field Classification Cortificate.
- 3. Rosin Classification and Grade Certificate.
- 4. Rosin Grade and Weight Certificate.
- 5. Loan and Sale Certificate for United States Graded Rosin.
- 6. Classification and Grade Certificate for Rosin in Small Packages.

160.41 When a certificate may be issued. A certificate showing the results of any examination, analysis, classification, or grading shall be issued only on naval stores which have been sampled under the direction and supervision of an official inspector. The certificate shall be valid only so long as the naval stores described therein shall remain under seal or in the identical condition obtaining at the time of their classification or grading.

- shall be issued for naval stores of which the samples were not taken by or under the direction of an official inspector, or which, being in packages of 150 pounds or less, have not been packaged, sampled, marked, and identified as required by these regulations, or for any article which does not conform with the standards provided therefor by the act or by the Secretary. The results of the examination of such naval stores or anything offered as such may be covered by a written report, which in no case shall be construed as a certificate.
- quest of the owner, a "Loan and Sale Certificate for United States Graded Rosin" (hereinafter designated "L.S. Certificate"), may be issued to cover any rosin for which a Rosin Classification and Grade Certificate has previously been issued by an official inspector and which remains in the original packages. No L.S. Certificate shall be issued until an official inspector shall have satisfied himself that the rosin has been so classified and graded. The request for such certificate shall be made to the Chief of Service or to the nearest inspector.
- 160.44 Prior grading and certification required for all rosin covered by an L.S. Certificate. If an L.S. Certificate is desired for a lot of rosin, a portion of which has not been previously classified and graded by an official inspector and covered by a certificate, such portion of the lot shall be so inspected, classified, graded, marked, and certified, as provided for by these regulations.

FEES AND CHARGES FOR SERVICES RENDERED

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160.45 Fees for turpentine analysis. For examination, analysis, and classification of spirits of turpentine, or of unofficial samples thereof, the person making the request shall pay a fee in accordance with the following rates:

- (a) For analysis and classification, viz, determination of such chemical and physical properties as may be necessary to ascertain its purity, quality, or compliance with designated specifications, the charge shall be at the rate of \$10 for a single sample, and \$7 for each additional sample so analyzed and classified for the same person and at the same time.
- (b) For limited examination and classification, viz, determination of kind and of certain easily determined physical characteristics indicative of marketable condition, where such examination and classification may require laboratory tests but do not include all the tests described in (a) hereof, the charge shall be at the rate of \$1 per sample.

- (c) For the examination and classification of spirits of turpentine in the field, viz, determination of kind, color, appearance, and quantity thereof, the charge shall be at the rate of 5 cents per package; provided, that the minimum charge for such examination and classification shall be \$2, except when such examination and classification is made at regular or agreed-upon intervals, under a previously accepted request; and provided further, that for such examination and classification of the contents of each tank car the charge shall be \$3.
- 160.46 Fees for rosin grading. For the classification and grading of rosin, other than as provided for in section 160.47, the person making the request shall pay fees according to the following scale:
 - (a) For 600 or more round barrels or drums offered for grading at any one place and at any one time, consisting of a single lot, or multiple lots so placed that they may be handled as a single lot, the charge shall be 5 cents per round barrel or drum.
 - (b) For 400 to 599 round barrels or drums offered for grading at any one place and at any one time, consisting of a single lot, or multiple lots so placed that they may be handled as a single lot, the charge shall be 6 cents per round barrel or drum; provided, that when the requests for grading of multiple lots are signed by one person and all certificates therefor are issued to such person, the total charge for any such quantity shall not exceed \$30.
 - (c) For less than 400 round barrels or drums, the charge shall be 7 cents per round barrel or drum; provided, that when requests covering multiple lots offered for grading at any one place and at any one time are signed by one person and all certificates therefor are issued to such person, the total charge shall not exceed \$24.
 - (d) The minimum charge for examination, classification, and grading of any lot of rosin in barrels or drums shall be \$4; provided, however, that such minimum charge shall not apply when the work is performed under a request for such service at regular or agreed-upon intervals, and the time of such grading is left at the option of the inspector.
 - (e) For rosin in packages of 150 pounds or less the charge shall be at the rate of 2 cents per package for the initial 500 packages or less, classified, graded, and certified at any one place and at any one time; provided, that a minimum charge of \$2 shall apply, except when the rosin in such packages is graded along with rosin in barrels or drums, in which case the minimum

charge shall not apply if the total charge for the entire quantity, (computed at the rate for each kind of package) amounts to \$2 or more. For each additional package over 500 packages the charge shall be at the rate of 1 cent per package. More than one certificate may be issued at the option of the interested person.

- (f) For weighing of barrels or drums of rosin in connection with the classification and grading thereof, the fees specified in (a), (b), (c), and (d) hereof shall be increased by 2 cents per barrel or drum so weighed; provided, however, that the additional charge for such weighing shall not be considered, in determining the minimum charge for the classification and grading.
- classification and grading of rosin at public naval stores concentration yard, under conditions acceptable to the Chief of Service, and where the quantities to be offered from day to day are sufficient to require the assignment of an official inspector for a period of 30 days or more, the charge shall be 5 cents per round barrel or drum, plus such additional amount necessary to cover any labor charges. Before the assignment of an inspector to perform such service, a responsible person or persons acting as agent for the producers shall sign an agreement covering such contemplated service, and shall assume the payment of the charges therefor.
- 160.48 Fees for loan and sale certificates. For each L.S. Certificate, the owner of the rosin shall pay a fee of 1 cent per round barrel or other package covered by such certificate, and in addition an amount sufficient to cover any extra cost incurred by the Government in connection therewith, as set forth in section 160.50; provided, however, that the minimum charge for any L.S. Certificate shall be \$1, together with such additional charge, if any.
- work involved in the examination, analysis, classification, or grading of naval stores, or samples thereof, whenever such service is rendered under a request other than one covering a specified period at regular or agreed-upon intervals and when the amount to be collected as fees does not compensate the United States for the full cost of the services rendered, then in lieu of such fees the interested person shall pay for such laboratory work an amount computed at the rate of \$18 per day or \$2.60 per hour for fractional parts of a day less than one-half day. The person requesting such service will be advised as to the approximate cost of doing the work covered by the request, and his authority to proceed will be obtained before analysis or other examination is made.
- plying with a request for examination, sampling, analysis, classification, or grading of naval stores it shall be necessary for an official inspector to make a special trip or depart from a regular schedule or plan of travel, and the amount to be collected as fees under sections 160.45 or 160.46 hereof does not compensate the United States for the

full cost of the services rendered, then, in addition to such fees the interested person shall pay an amount computed at the rate of \$12 per day, or \$1.80 per hour for fractional parts of a day less than one-half day, to cover the time spent in travel, collecting samples, preparing same for shipment, obtaining identification records, or other inspection work; and in addition he shall assume any travel and subsistence expenses incurred in connection therewith as authorized under Government travel regulations.

- 160.51 Expenses to be borne by interested person. All expenses incurred by the United States in connection with the sampling, analysis, classification, or grading of naval stores on request, not otherwise provided for by suitable regulation, shall be borne by the person making the request.
- 160.52 Rendition of claims. The Chief of Service, or his duly authorized representative, shall mail to each interested person, as soon as practicable after the end of each month, or sooner if deemed advisable, a claim for payment of moneys due the United States on account of any services rendered or of the loan of any standards.
- 160.53 Delinquent claims. Any claim remaining unpaid after 60 days from the date of its rendition shall be considered as delinquent, and notice thereof shall be brought to the attention of the interested person. After a claim becomes delinquent, the Chief of Service may order the discontinuance of any further service, and shall take such action as may be necessary to collect amounts due. A deposit in advance sufficient to cover the fees and expenses for any subsequent service may be required of any person failing to pay his claim after issuance of such notice of delinquency.

LOAN AND CARE OF DUPLICATES OF UNITED STATES STANDARDS

160.54 Standards available on loan. Duplicates of the United States Standards for naval stores, made of glass for use as standards or "types" in classifying and grading naval stores in commerce, shall remain the property of the Department, and may be loaned, but not sold, to such interested persons as may be approved by the Chief of Service. An interested person desiring the loan of duplicates of any of the United States Standards for naval stores shall submit to the Chief of Service a form application, properly signed, which will show his eligibility to receive and use such duplicates in accordance with these regulations. Standards so leaned shall be returned promptly, on request.

160.55 Loan of standards without security. Duplicates of the United States Standards for naval stores may be loaned without deposit of security, insofar as the supply in the possession of the Department will permit, to:

- (a) Any State official or local official duly authorized to inspect and grade naval stores, who is actually engaged in inspection and grading work, and who shall have been approved by the Chief of Service to act as custodian of such standards.
- (b) Any bona fide dealer or distributor of naval stores who shall have been approved by the Chief of Service to act as depositary for such standards, and who shall maintain and operate a regular naval stores yard which is available to and is regularly used by other persons for the purpose of having naval stores inspected, graded, stored, or sold thereon; provided, however, that a person whose principal use of such standards is the grading of naval stores of his own production shall not be deemed to come within the scope of this sub-section, but shall be required to post the security provided for in section 160.56; and provided further, that no person shall receive more than two sets of duplicates under this sub-section.
- (c) Any trade organization or institution of higher learning having a direct relationship to the production or marketing of naval stores, other than by reason of the private interests or operations of its individual members, when in the opinion of the Chief of Service such standards are necessary to the normal functioning of the organization or institution.
- 160.56 Loan of standards under security deposit. Duplicates of the United States Standards for rosin may be loaned to interested persons other than those specified in section 160.55, on deposit with the Chief of Service of security in the sum of \$100, by cashable remittance payable to the Treasurer of the United States.
- 160.57 Annual charge for use of standards. The cost of providing duplicates of the United States Standards for rosin to interested persons under sections 160.55(a) and (b) and 160.56, and of maintaining such duplicates in accurate and proper condition for use, and of keeping necessary records thereof, shall be defrayed by a uniform annual charge of \$4 for each sot of duplicates, to be paid in advance by such persons for each Government fiscal year during which the duplicates are retained; provided, that when a security deposit has been posted, the annual charge shall be waived for the fiscal year in which such deposit was made, but shall be due and payable for each fiscal year thereafter.
- 160.58 Reporting on use of standards. Each person to whom a set of duplicates of the United States Standards for naval stores has been loaned under any provision of these regulations shall, from time to time, submit such reports on the use and condition thereof as may be required by the Chief of Service.

- 160.59 Request for additional standards. Any person to whom a set of duplicates has been loaned without security deposit, who shall request the loan of an additional set of duplicates to replace the original set, and who is unable to return such original set, shall be required to deposit the security provided for in section 160.56 prior to the loan of such additional duplicates. If the original set, or any part thereof, is recovered, it shall be returned for inspection or repair. After the cost of any repairs or replacements shall have been paid, such original set may be returned to such person, who shall surrender the additional set, on receipt of which the security posted therefor shall be returned.
- damaged or are missing, the person to whom they were loaned shall promptly inform the Chief of Service in writing, stating what damage or loss was sustained and how the same occurred. The cost of making necessary repairs to any duplicates, or of replacing those damaged beyond repair, or missing, shall be paid promptly by the person to whom they were originally loaned.
- 160.61 Surrender of standards. On the death of any person, or the dissolution or reorganization of any partnership, firm, or corporation holding any duplicates of the United States standards for naval stores, they shall be promptly returned to the Agricultural Marketing Service by the holder thereof.
- 160.62 Return of security. The security deposit received from any person to whom duplicates of the United States Standards for naval stores have been loaned will be held in the special deposit account of the Department, and the same will be returned to the person from whom received, or his legal representative, on surrender of the duplicates secured thereby; provided, that before refund may be made the cost of any repairs or replacement shall be deducted.
- 160.63 Miscellaneous receipts. All moneys received or withheld to cover the cost of repairs, or of replacing any missing parts of duplicates, or as rental for duplicates, shall be paid into the United States Treasury as miscellaneous receipts.

SALES AND SHIPMENTS

Standards." For the purpose of these regulations the phrase "under or by reference to United States Standards," as it appears in the act, is interpreted to include the use of any words, letters, brands, labels, or marks on any package of naval stores; on anything attached to or supplied therewith on delivery; or on any inspection, sale, or shipping record or invoice, in describing the kind, classification, or grade of the naval stores covered thereby.

- 160.65 Marks on packages. Each package of naval stores in commerce, other than a tank car, shall be marked to show the identity of the manufacturer or shipper thereof, and to show the true classification or grade of its contents, in accordance with the standard established therefor, except that in the case of a shipment made by the producer for the purpose of having the article graded prior to sale, no grade mark shall be required on the package.
- 160.66 Sale of mixed turpentine not lawful. The sale in commerce of any mixture of two or more kinds of spirits of turpentine is prohibited under any designation.
- 160.67 Prohibited use of the word "turpentino". The word "turpentine" shall not be used in commerce to describe, in any manner, a mixture of spirits of turpentine and any other oil or solvent.
- 160.68 Rosin unfit for grading. An article consisting of rosin with an excessive amount of trash or other visible extraneous foreign material, or an article that is of such color or appearance as not to permit its accurate classification and grading in accordance with the standards provided for rosin, shall not be classified, graded, marked, sold, or offered for sale in commerce as rosin.
- 160.69 When the use of such words is permissible. The use of the word "turpentine" or the word "rosin" is not prohibited in the name of an article made, prepared, or processed from spirits of turpentine or rosin, or to indicate the process whereby such article was made or prepared; provided, however, that this section shall not apply to any article covered by section 160.67.
- 160.70 Medicinal proparations. A compound or mixture containing spirits of turpentine or rosin, or both, with other drugs, when sold for medicinal purposes, is not subject to the provisions of the Naval Stores Act or of these regulations.

LABELING, ADVERTISING, AND PACKAGING

- other means or practice used in connection with the sale of naval stores in commerce or of anything offered as such shall be false, misleading, or deceitful in any manner.
- or "pine tree," when used to designate the source of spirits of turpentine, shall be deemed to mean a living, growing plant of the genus Pinus, family Pinaceae, unless the words "wood of" are used in connection therewith. The terms "oleoresin of the southern pine" or "oleoresin from the southern pine" shall be deemed to mean the gum or oleoresin exuded by such living, growing trees, the source of gum spirits of turpentine.
- 160.73 Meaning of word "gallon." The word "gallon," when used on or impressed into any container of spirits of turpentine, or when used in an invoice referring to spirits of turpentine in packages of

10 gallons or less, shall mean the United States standard gallon of 231 cubic inches, regardless of any other definitive term used therewith; provided, that this shall not apply to the meaning of the words "Imperial gallon," when placed on packages intended for foreign shipment. A gallon of turpentine, or any indicated multiple or fractional part thereof, shall be such quantity when measured at a temperature of not more than 75° Fahrenheit.

- 160.74 Labeling of powdered rosin. The label on any package of powdered or finely broken rosin shall show the classification and grade of the rosin from which such powdered or broken article was prepared. For the purpose of preventing coalescence there may be incorporated in such article a limited and necessary quantity of inert, nonresinous foreign material; provided that the nature and quantity of such inert material shall be stated on the label.
- 160.75 Spirits of turpentine for medicinal use. Spirits of turpentine packed, described, labeled, or sold so as to indicate that it is offered as a medicament shall nevertheless be subject to the requirements of the Naval Stores Act and of these regulations, as well as any requirements under any other statute.

PROCEEDINGS IN CASE OF VIOLATION

- the Department of Justice. Whenever it shall appear to the Chief of Service that any violation of the act should be reported to the Department of Justice for appropriate action, he shall serve notice in writing upon the person apparently responsible for the alleged violation, and shall give such person an opportunity to state why the alleged violation should not be reported to the Department of Justice. If such person desires to submit a statement, he may, within 20 days after receipt of such notice, file his answer, in duplicate, with the Chief of Service. The answer may be signed either by such person or by his attorney. The person so notified may also, within the period stated, apply for an opportunity to present his views orally, in which case, in the event the Chief of Service deems it fitting, an opportunity will be given him to do so, in person or by attorney, at a time and place to be designated by the Chief of Service.
- Justice. In the event of failure of the person notified of an apparent violation of the act to submit to the Chief of Service a written answer as provided in section 160.76, or if, after such person has filed his answer, or in addition, been given an opportunity to present his views orally, no sufficient reason has been shown why the alleged violation should not be reported for prosecution, the Solicitor of the Department, acting for and on behalf of the Secretary, shall report the alleged violation to the Department of Justice for appropriate action.

